PUBLIC ANNOUNCEMENT (PA) UNDER REGULATION 15(1) OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF M/S KANSAL FIBRES LIMITED

("KFL" /"TARGET COMPANY"/ "TC")

Registered Office: 281, Industrial Area-A, Ludhiana, Punjab - 141003 Phone No. +91-0161-5095958
Email id: kansalfibersltd@gmail.com Website: www.kansalfibres.com

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

OPEN OFFER TO THE SHAREHOLDERS OF THE TARGET COMPANY FOR ACQUISITION OF 15,34,182 (FIFTEEN LACS THIRTY FOUR THOUSAND ONE HUNDRED AND EIGHTY TWO) (INCLUDING THE EQUITY SHARES ON WHICH CALL MONEY IS PENDING) EQUITY SHARES CONSTITUTING 26% OF ISSUED AND SUBSCRIBED CAPITAL AND 27.04% OF THE VOTING CAPIAL OF THE TARGET COMPANY BY M/S. LAXMI EDIFICE PRIVATE LIMITED, (ACQUIRER) PURSUANT TO AND IN COMPLIANCEE WITH REGULATION 3 (1) AND 4 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISTION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AS AMENDED (SEBI (SAST) REGULATIONS, 2011 OR REGULATIONS)

1. OFFER DETAILS

- **Offer Size (No. of Equity Shares)** : This open offer (the "**Open Offer**") is being made by M/s. Laxmi Edifice Private Limited (Acquirer) for acquisition of 15,34,182 (Fifteen Lacs Thirty Four Thousand One Hundred and Eighty Two) Equity Shares constituting 26% of issued and Subscribed Capital and 27.04% of the Voting Capital of the Target Company. The face value of equity shares of the Target Company is Rs. 10/- (Rupees Ten Only). However, the Target Company has 2,27,800 partly paid up equity shares which do not carry any Voting Rights.

- **Offer Price / Consideration (in Rs.)** : The Offer Price is calculated in accordance with Regulation 8(1), 8(2) and 8(13) of the Regulations:

  - **For Fully Paid-up Equity Shares** : Shareholders who are holding fully paid-up equity shares and wish to tender their equity shares in the Offer will be paid a price of Re. 1/- (Rupee One Only) per fully paid up equity share.

  - **For Partly Paid-up Equity Shares** : Shareholders who are holding partly paid up equity shares will be eligible to participate in the Offer provided they pay the allotment money Rs. 5.00 per equity share along with the interest @12% per annum from the date of allotment till the date of Public Announcement.

The total funds required by the Acquirer for implementation of the Offer (assuming full acceptances) aggregates to Rs. 15,34,182/- (Rupees Fifteen Lacs Thirty Four Thousand One Hundred and Eighty two Only) ("Offer Consideration")

- **Mode of payment (Cash/Security)** : The Offer Price is payable in "Cash" in accordance with Regulation 9(1)(a) of the Regulations.

- **Type of Offer : (Triggered offer, voluntary offer/competing offer etc.)** : This is a Triggered Offer under the Regulation 3(1) and 4 of the Regulations pursuant to Share Purchase Agreement dated 5th December 2013. ("SPA" or "the Agreement").

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DIRECTOR

LAXMI EDIFICE PVT. LTD. AHMEDABAD

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The Acquirer has entered into a Share Purchase Agreement ("**SPA**") with the Promoters of Target Company (hereinafter referred to as the "**Sellers**"), on Thursday, 5th December, 2013 wherein it is proposed that they shall purchase 15,30,200 fully paid up equity shares of the Target Company bearing a face value of Rs.10/- each ("**Sale Shares**"), which amounts to 25.93% of the total issued and subscribed equity share capital and 26.97% of the Voting Capital of the Target Company as on 5th December 2013. The said sale is proposed to be executed at a price of Rs.0.85 paise (Eighty five paisee only) per fully paid-up equity share ("**Negotiated Price**"), aggregating to Rs. 13,00,670/- (Rupees Thirteen Lakhs Six Hundred and Seventy only) ("**Purchase Consideration**") payable in cash. Consequent changes in control and management of the Target Company contemplated under the SPA, this mandatory Open Offer is being made by the Acquirer in compliance with Regulation 3(1), 4 and other applicable provisions of SEBI (SAST) Regulations, 2011 as amended.

2. TRANSACTION WHICH HAS TRIGGERED THE OPEN OFFER OBLIGATIONS (UNDERLYING TRANSACTION)

Details of underlying transaction						
Type of Transaction (direct/ indirect)	Mode of Transaction (Agreement/ Allotment/ market purchase)	Shares / Voting rights acquired/ proposed to be acquired		Total Consideration for shares /VRs acquired (Rs.in Lakhs)	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% vis a vis total issued, Subscribed & Paid up Capital and Voting capital.			
Direct	Share Purchase Agreement	15,30,200	25.93% and 26.97%	13.0067	Cash	Regulation 3 (1) & 4 of SEBI (SAST) Regulations 2011

3. ACQUIRER(S) / PAC

Details	Acquirer-1	PAC	Total
Name of Acquirer / PAC	M/s. Laxmi Edifice Pvt. Ltd	None*	-
Address	203, Abhishek Complex, B/H Navgujarat College, Income Tax, Ahmedabad-380014	-	-
Name(s) of ~~persons in control~~ /promoters of		-	-

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acquirers/ ~~PACs where Acquirers/ PAC are companies~~	1. Mr. Piyush M Doshi 2. Mr. Loharuka Suryaparkash Vinod Kumar		
Name of the Group, if any, to which the Acquirer/PAC belongs to	N.A	-	-
Pre Transaction shareholding • Number • % of total share capital	NIL	-	-
Proposed shareholding after the acquisition of shares which triggered the Open Offer	15,30,200 25.93% & 26.97%	-	15,30,200 25.93% & 26.97%
Any other interest in the TC	NO	-	-

* There is no PAC acting with in the meaning of Regulation 2(1)(q)(1) of the Regulations in relation to this Offer with the Acquirer

4. DETAILS OF SELLING SHAREHOLDERS, IF APPLICABLE

Name	Part of promoter group (Yes/No)	Details of Shares/ Voting Rights held by the Selling Shareholders					
		Pre Transaction			Post Transaction		
		Number of Shares	% of total issued, Subscribed & Paid up capital	% of total voting capital	Number of Shares	% of total issued and Subscribed capital	% of total voting capital
Rakesh Kansal	Yes	7,97,200	13.51	14.05	NIL	NIL	NIL
Aruna Kansal	Yes	3,71,100	6.29	6.54	NIL	NIL	NIL
Ratan Goyal	Yes	1,00,000	1.69	1.76	NIL	NIL	NIL
Rakesh Kansal (Legal heir of	Yes	2,61,900	4.44	4.62	NIL	NIL	NIL

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Shiv Paul Kansal)						
Total	15,30,200	25.93	26.97	NIL	NIL	NIL

5. <u>TARGET COMPANY</u>

- **Name** : Kansal Fibres Limited
- **Registered Office** : 281, Industrial Area-A, Ludhiana, Punjab - 141003
- **Exchanges where equity shares of KFL are listed** : BSE Limited (BSE), Ahmedabad Stock Exchange Limited (ASE), Ludhiana Stock Exchange Limited (LSE) and Delhi Stock Exchange Limited (DSE).

6. <u>OTHER DETAILS</u>

- The PA is made in compliance with Regulation 13(1) of the Regulations.
- This to inform to all the Shareholders of Target Company that the details of the open offer would be published shortly in the newspaper in terms of the provisions of Regulation 14 (3) of SEBI (SAST) Regulations, 2011 vide a Detailed Public Statement on or before Wednesday, 11th December, 2013.
- The Acquirer M/s. Laxmi Edifice Private Limited has given undertaking that the company is aware of and will comply with its obligations under the SEBI (SAST) Regulations, 2011 and has adequate financial resources to meet the Offer obligations.
- This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the Regulations and is not a Competitive Bid in terms of Regulation 20 of the Regulations.

Issued by

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FOR, LAXMI EDIFICE PVT. LTD.

DIRECTOR

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On behalf of

FOR, LAXMI EDIFICE PVT. LTD.

M/s Laxmi Edifice Private Limited

Director

DIRECTOR

LAXMI EDIFICE PVT. LTD. AHMEDABAD

Place: Ahemedabad

Date: 05.12.2013

COMFORT SEC... LIMITED